



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 7
AGENDA DATE: Thu 11/18/2004
PAGE: 1 of 1

SUBJECT: Approve a resolution adopting the Service Plan and Budget for 2005-2006 for the Austin Downtown Public Improvement District.

AMOUNT & SOURCE OF FUNDING: The Downtown Austin Alliance submitted a 2005-2006 budget for the PID in the amount of \$1,227,609. This budget will be funded from a total of \$1,327,609. This amount includes \$1,102,034 in 2005 assessments (at a 96% collection rate), \$75,575 in collections from 2004, interest accrued in the PID Account and late payments; and a \$150,000 annual contribution from the City of Austin (\$75,000 Austin Convention Center Fund, and \$75,000 in the Water & Wastewater Utility Fund). Appropriation of the \$1,327,609 in the Economic Growth and Redevelopment Services Department Special Revenue Fund will require City Council authorization, and possible adjustment, after the assessment roll hearing on December 16, 2004. \$100,000 of the total amount will be retained as a reserve fund to cover revenue adjustments to the assessment roll.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Economic Growth and **DIRECTOR'S**
DEPARTMENT: Redevelopment Services **AUTHORIZATION:** Sue Edwards

FOR MORE INFORMATION CONTACT: Michael Knox, Downtown Officer / 974-6415; David Lloyd, City Attorney / 974-2918

PRIOR COUNCIL ACTION: Reauthorized the Austin Downtown PID and extended the DAA management contract on 10/24/02.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

This action will approve the proposed Austin Public Improvement District Service Plan and Budget for 2005-2006, as provided to the City by the Downtown Austin Alliance. The proposed 2005 Assessment roll is based on the proposed Service Plan. State law requires Council approval of the Service Plan and Budget.

Total projected revenue is \$1,327,609 and total DAA proposed budget is \$1,227,609. The balance of \$100,000 is a reserve for revenue adjustments to the assessment roll. These estimates are based on the appraisal roll from TCAD as of October 15, 2005. Adjustments to the roll may be required based on new information from TCAD and Council action as a result of the December 16, 2004 public hearing. Approval of the proposed PID budget and the ordinance adopting an assessment rate and proposed assessment roll are the first steps in the annual process of approving PID assessments.



DOWNTOWN AUSTIN ALLIANCE

A Vision and a Voice for Downtown

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MEMORANDUM

To: Michael Knox
From: Jeff M. Trigger, Chair
Date: October 13, 2004
Subject: FY05-06 Draft Service Plan and Budget

Attached is the Draft FY 2005-2006 Service Plan and Budget for the Downtown Austin Alliance's twelfth fiscal year.

This budget was developed using the projection of P.I.D. revenue for FY 2005-2006 as provided by the City, and so this projection does not include memberships, carryover, or any miscellaneous revenue.

P.I.D. Assessments 96% Collection	\$ 1,102,034
City of Austin Contribution	150,000
Prior Year Revenue, Interest & Late Payments	75,575
Less: Reserve for Revenue Collection	(100,000)
Total Projected P.I.D. Fund Revenue	\$ 1,227,609

The Projected DAA 04-05 budget plans for a decrease from last year by \$120,960. Allocations to programs are not changed significantly from prior year.

The Executive Committee of Alliance Board will consider approval of this preliminary 05-06 budget at its next meeting on November 5, 2004.

The Draft Service Plan and budget is, as always, presented in terms of broad categories, not the individual programs. The program budget will be developed before the start of the Alliance fiscal year beginning May 1, 2005.

If you have any questions please call myself or Alliance staff at 469-1766. Thank you for your attention to this matter.

DOWNTOWN AUSTIN ALLIANCE
Draft Service Plan and Budget FY 2004-2005
May 1, 2005-April 30, 2006

INTRODUCTION

The Austin DMO, Inc. was chartered in May 1992. The City Council created the Downtown Austin Public Improvement District in April 1993 and contracted with the DMO in August 1993 to provide services to this District. In September 1995, the Austin DMO, Inc. changed its name to the Downtown Austin Alliance.

During FY 2005-2006, the Downtown Austin Alliance will move forward in accordance with its mission to protect and strengthen the business, cultural, arts and entertainment environment of Downtown Austin; to provide services to increase the quality of life for people who live, work, and play in Downtown; to communicate the concerns of the Downtown community to local and state entities; and to support the constructive initiatives on issues of public policy that affect the community.

SERVICE PLAN

In this document, the Downtown Austin Alliance's Draft FY 2005-2006 Service Plan and Budget is outlined. The Alliance's FY 2005-2006 P.I.D. fund budget totaling \$1,227,609 is based on the projected assessment revenues as well as a City of Austin contribution. It does not reflect potential carryover funds from the current year, potential voluntary membership dues, or other miscellaneous revenue.

By April 2005, the Alliance's Board of Directors will develop a detailed program budget for the fiscal year that starts May 1, 2004. The Draft FY 2005-2006 budget is shown below.

FY 2005-2006 Preliminary Budget

Security	\$429,663	35.00%
Maintenance	122,761	10.00%
Membership	135,037	11.00%
Economic Development	85,933	7.00%
Streetscapes & Transportation	110,485	9.00%
Arts & Entertainment Marketing	73,657	6.00%
Communication	73,657	6.00%
Parks & Community Support	49,104	4.00%
Administration	147,313	12.00%
Total Expenses	\$1,227,609	100%

PROGRAM DESCRIPTIONS

I. Security - \$429,663 or 35.00%

The Downtown Austin Alliance promotes a safe downtown with the Austin Downtown Rangers program and by working closely with the Austin Police Department, Community Court, City of Austin, and Travis County on a variety of issues. Security is the top priority of the Downtown community and will continue to be the Alliance's main focus.

II. Maintenance - 122,761 or 10.00%

The Alliance will continue its litter removal and private property graffiti removal programs. The Alliance also provides monthly sidewalk power washing on Congress Avenue. The Alliance works hard to have a quick graffiti removal response time. Working with property owners, the Alliance has improved the "graffiti resistance" of Downtown properties. The Alliance also funds a supervisor for the weekend and afternoon Community Service Restitution program of the Community Court.

III. Membership - \$135,037 or 11.00%

Membership programs include monthly Issues & Eggs breakfasts, quarterly luncheons, the annual meeting, and membership recruitment and development. The membership committee also has responsibility for holiday decorations and programs, and the annual Downtown IMPACT Awards.

IV. Economic Development - \$85,933 or 7.00%

This program promotes business development and the positive growth of retail and residential uses in Downtown. The Downtown Austin Alliance website provides detailed information for potential investors and employers. The Economic Development Committee works closely with area private sector entities to address and advocate Downtown development issues with local and state governments. A major Alliance initiative will be participating with the City to implement ERA's recommendations from the Downtown Retail Development Strategy Study.

V. Streetscapes & Transportation - \$110,485 or 9.00%

Streetscapes and Transportation covers all issues and programs for Downtown access, mobility, and parking. The Alliance works with a variety of partners in planning the future of Downtown's transportation infrastructure, as well as providing parking signs, brochures, and information. Current projects include Downtown transit planning and Great Streets. The Alliance is assisting the City in communicating with affected property owners during the 2nd Street reconstruction.

VI. Arts & Entertainment Marketing - \$73,657 or 6.00%

Marketing downtown, as arts, cultural, entertainment, and visitor destination. Current projects include reprinting the Downtown tear-off map, and update and maintain the Alliance's new website as needed. This new website will be the one stop source for information on Downtown Austin.

VII. Communications - \$73,657 or 6.00%

The Alliance distributes a print newsletter, and a new a weekly web based electronic newsletter has been developed to coordinate with the new web site events calendar. In addition, the Alliance provides information to the media and to the public upon request.

VIII. Community Support - \$49,104 or 4.00%

The Alliance leverages its funds through partnerships with other nonprofit organizations. Working with the Austin Parks Foundation and PARD the Alliance plans to help revitalize Republic Square and other downtown historic parks. Other examples include co-sponsoring Downtown events – such as the Farmers Market and the Austin Fine Arts Festival.

IX. Administration - \$147,313 or 12.00%

Program expenses include overhead charges allocated in proportion to staff time.

X. Reserve Funds

The Board has not allocated a reserve in the FY 2005-2006 budget because of adequate existing reserves carried forward from prior years.

SUMMARY

In its first eleven years, the Alliance has launched an ambitious array of Downtown programs. As a result, Downtown Austin is safer, cleaner, and more fun than before. The proposed FY 2005-2006 Service Plan and Budget will continue this record of achievement.

DOWNTOWN AUSTIN ALLIANCE

MAY 1, 2005 - APRIL 2006

Preliminary Budget

PROGRAM	Project Actual 5/01/05	Prelim Budget 12/05/05	Change	Percentage Allocation
SECURITY	512,034	429,663	82,371	35.00%
MAINTENANCE	154,166	122,761	31,405	10.00%
MEMBERSHIP	128,883	135,037	(6,153)	11.00%
ECONOMIC DEVELOPMENT	118,965	85,933	33,032	7.00%
STREETSCAPES & TRANSPORTATION	84,905	110,485	(25,580)	9.00%
ARTS & ENTERTAINMENT MARKETING	155,509	73,657	81,853	6.00%
COMMUNICATION	73,557	73,657	(99)	6.00%
PARK & COMMUNITY SUPPORT	38,496	49,104	(10,618)	4.00%
ADMINISTRATION	148,518	147,313	1,205	12.00%
TOTAL EXPENDITURE	\$ 1,415,024	\$ 1,227,609	\$ 187,415	100.00%

Revenue	2005-2006	2004-2005	Variance	% Change
City Revenue				
PID Assessments	1,102,034.00	1,207,396.00	(105,362.00)	-8.73%
City of Austin Contribution	150,000.00	150,000.00	-	0.00%
Prior year revenue & interest	75,575.00	91,173.00	(15,598.00)	-17.11%
Less: Reserve for Revenue Collection	(100,000.00)	(100,000.00)	-	0.00%
Total City Revenue	1,227,609.00	1,348,569.00	(120,960.00)	-8.97%



MEMORANDUM

TO: Charles Betts, Executive Director,
Downtown Austin Alliance

FROM: Michael Knox, Principal Planner,
Economic Growth and Redevelopment Services Office

DATE: September 30, 2004

SUBJECT: 2005–2006 Downtown Austin Public Improvement District (PID) Funding

I am providing you the proposed budget for the 2005–2006 PID/DAA funding. This is the funding available to prepare the DAA's Service Plan and Budget:

Proposed 2005 Assessment Roll - 96.00% collection rate	\$1,102,034
City of Austin Contribution	\$150,000
Collected assessment for 2004 (9/21/04) less appropriated assessment	\$46,935
Earned interest and late payments (9/21/04)	\$28,640
Possible Adjustments to Proposed 2004 Assessment Roll	(\$ 100,000)
<hr/> Total Available	<hr/> \$1,227,609

Please prepare the Service Plan and Budget for 2005–2006 based on this estimated revenue. There may be adjustments in the assessment roll or other sources at a later date.

Michael Knox

cc: Mindy Griggs, EGRSO
Diana Thomas, Controller's Office
Cheryl Woods, Controller's Office
Jia Ming Qian, Controller's Office
Kim Holdcrread, Treasury
David Lloyd, Law Department